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OF COUNSEL
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April 29, 2003

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDED 24425 FILED
APR 29 03 3-29 PM
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of Lease Agreement, dated as of October 1, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: MRC Rail Services, LLC
5215 Old Orchard Road
Suite 505
Skokie, IL 60077

Lessee: Arkansas Shortline Railroads, Inc.
4416 South Arkansas Avenue
Russellville, AR 72802

A description of the railroad equipment covered by the enclosed document is:

40 railcars DR 5001 – DR 5039

Mr. Vernon A. Williams
April 29, 2003
Page Two

A short summary of the document to appear in the index follows:

Memorandum of Lease Agreement

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee and cross-indexing fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/anr
Enclosures

**MEMORANDUM OF LEASE AGREEMENT
BETWEEN
MRC RAIL SERVICES, LLC ("LESSOR")**

AND

ARKANSAS SHORTLINE RAILROADS, INC.

March 1, 2003

RECORDATION NO. 24425 FILED
APR 29 '05 3:29 PM
SURFACE TRANSPORTATION BOARD

Memorandum of a Lease Agreement made and entered into as of March 1, 2003 by and between MRC Rail Services, LLC, a Delaware limited liability company, ("**Lessor**") and Arkansas Shortline Railroads, Inc., an Arkansas corporation ("**Lessee**").

WITNESSETH:

1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor 40, 2743 cfc 52'6" mill gondolas of bearing marks and numbers as follows:
DR 5001-5039
2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the lease term, as described in the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Lessor: MRC Rail Services, LLC

By: [Signature]
Title: Vice President
Date: 4/1/03

Lessee: Arkansas Shortline Railroads, Inc.

By: [Signature]
Title: Vice President
Date: 3/28/03

STATE OF ILLINOIS

COUNTY OF COOK

On this 28 day of 03, 2003 before me personally appeared Harry Zander, to me personally known, who being by me duly sworn, says that he is the Vice President of MRC Rail Services, LLC that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.



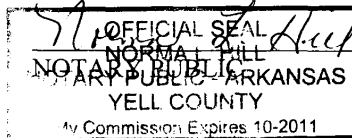
Teresa Taylor
NOTARY PUBLIC

My commission expires:

STATE OF _____

COUNTY OF _____

On this 03 day of 28, 2003 before me personally appeared Samuel D. Robbins, to me personally known, who being by me duly sworn, says that he is the Vice President of Autumn Ski Lifts that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.



My commission expires